

June 3, 1965

WASHINGTON PARK URBAN RENEWAL AREA  
BOSTON REDEVELOPMENT AUTHORITY

BOSTON REDEVELOPMENT AUTHORITY  
BOSTON PUBLIC LIBRARY

HOLWORTHY STREET PACKAGE ..... BREAKDOWN

1. Estimate acquisition costs on the open market

- a. Interview with local landlord (approx. 500 units).....  
2½ to 3½ times present income.
- b. Interview and meeting with former real estate  
developer ..... 2½ to 4 times present income.  
Average cost per unit set at \$2,400.
- c. Owner, Holworthy St., 2½ times income, or \$2,400.

The 83 units averaged at \$2,400 will total almost \$200,000.  
It is estimated that approximately 5% of that figure will  
be required to secure options.

2. Rehabilitation costs in the alternative:

- a. Without FHA standards ..... to rehabilitate below a  
minimum FHA standard would not be in keeping with the  
rehabilitation objectives of the Authority nor would  
sufficient work be done to allow the buildings to last  
another 30 years.
- b. With FHA standards ..... two levels are considered:
  1. FHA minimums @\$3,000 per unit.
  2. Optimum rehab in relation to the acquisition cost  
@ \$5,000 to \$6,000 per unit.

The latter level is most desirable provided the rents  
can still be kept below the levels currently being  
charged in the new (D) (3) housing in the project area.

- c. Rehabilitation cost .....average at \$4,500 per unit,  
\$275,000

Totals:	Acq.	\$200,000
	Rehab	<u>375,000</u>
		\$575,000 or \$6,850 per unit

3. Rent Schedules:

- a. FHA insured 30 year Mtgs..... 100% mortgage.

Average

@ \$6,500 per unit	\$79	1 Br \$66	2 Br \$74	3 Br \$85
@ \$7,500 per unit	\$85	1 Br \$72	2 Br \$80	3 Br \$91
@ \$8,500 per unit	\$91	1 Br \$81	2 Br \$89	3 Br \$100



### 3. Rent Schedules (Cont'd)

#### b. Conventional Mortgage 20 years .....80% mortgage

	<u>Average</u>					
@ \$6,500 per unit	\$96	1 Br	\$83	2 Br	\$91	3Br \$102
@ \$7,500 per unit	\$105	1 Br	\$93	2 Br	\$101	3Br \$112
@ \$8,500 per unit	\$117	1 Br	\$104	2 Br	\$112	3Br \$123

#### c. Cash financing (no debt)

..... Depends on required return on investment.

#### 4. Description of present condition of properties and neighborhood.

..... see panel of photos.

..... There are fourteen middle-aged apartment buildings under consideration for rehabilitation. They have not, in general, been maintained over the years and the resulting blighting influence poses a serious threat to the surrounding wood frame buildings on Hollander and Harrishof Streets and to the community as a whole.

..... The location is ideal for the up-grading of the units because the urban renewal plan provides for a brand new elementary school at the Humboldt Avenue end of the street and new low-to-moderate income rental housing at Harold and Holworthy Streets.

..... Exhaustive studies of this project have shown that rehabilitation is feasible. In spite of the fact that the buildings are from 30 to 45 years of age the exterior appearance and interior design is rather simple and actually appear quite contemporary.

..... Rehabilitation will not be limited to the structures. It is intended to improve the neighborhood conditions so that the social climate as well as the physical condition can be improved.

..... It should be proposed that area improvements be installed by the city including a resurfaced street, repaired sidewalks and new lighting facilities.

..... Suggest acquisition of one property or acquire land remnant from BRA to give access to rear of even-numbered buildings for off-street parking.



b. Conventional mortgage 30 years ..... 9.0% mortgage

Investment

\$ 66,700 per unit	1 Br 202	1 Br 201	1 Br 200
\$ 57,500 per unit	1 Br 203	1 Br 204	1 Br 205
\$ 66,700 per unit	1 Br 206	1 Br 207	1 Br 208

c. Cash financing (no debt)

..... Depends on required return on investment.

d. Description of present condition of properties and neighborhood.

..... See panel of photos.

..... There are fourteen middle-aged apartment buildings under consideration for rehabilitation. They have not, in general, been maintained over the years and the resulting dilapidated condition poses a serious threat to the surrounding wood frame buildings on Hollander and Harrison Streets and to the community as a whole.

..... The location is ideal for the up-grading of the area because the urban renewal plan provides for a brand new elementary school at the Hollander Avenue end of the street and new low-to-medium income rental housing at Harold and Hollander Streets.

..... Extensive studies of this project have shown that rehabilitation is feasible. In spite of the fact that the buildings are from 30 to 45 years of age the exterior appearance and interior design is rather simple and actually appear quite contemporary.

..... Rehabilitation will not be limited to the structure. It is intended to improve the neighborhood conditions so that the social climate as well as the physical condition can be improved.

..... It should be proposed that area improvements be installed by the city including a resurfaced street, repaired sidewalks and new lighting facilities.

..... Suggested acquisition of one property or several land parcels from BSA to give access to rear of even-numbered buildings for off-street parking.

5. Statement of what likelihood that owner-occupants or absentee owners will rehab their properties:

33 Holworthy Street - do it yourself in progress, very slow, will not be a complete rehab job.

41 Holworthy Street - Minor work, wants BRA to acquire.

Prospects of rehabilitation by the private owners are very poor and successful rehabilitation will be achieved only with rigorous code enforcement process.

6. Statement of any and all problems, time delays, community criticism, owner resistance, etc. involved in the acquisition of the properties.

- a. Time delays ..... If the mortgages and rehabilitation costs are to be insured by the Federal Housing Administration (FHA), the lowest possible rents will result if Section 221 (D)(3) Non-Profit Mortgage Insurance is used. The interest rate at present is 3 7/8%, and a 30 year term is available. Prior to securing the first option on a Holworthy Street property, preliminary schedules must be set to a point past the feasibility analysis (assuming that we have hard information on acquisition costs short of a firm option). ..... FHA may require a registered (Mass.) architect to stamp a formal set of floor plans and sections.

..... Contractor prices may or may not be difficult to pull together. If the rehab cost under the (D)(3) program exceeds \$200,000 (and in this case it will), the FHA will not accept BRA or architect estimates.

- b. Community Criticism ..... none anticipated. Non-profit sponsorship seems acceptable. Residents on Harrishof and Hollander Streets, which run parallel to Holworthy north and south respectively, stand to benefit from rehab on these buildings. Rear yards will be greatly improved. Infestation will be eliminated by tight controls. Landscaping should prove contagious to the abutting neighbors who have been reluctant so far, to put forth the effort.

2. Statement of what likelihood that current occupants of  
apartment houses will remain their present residents.

3. Relatively Street - do it yourself in progress, very  
slow, will not be a complete  
rehab job.

4. Relatively Street - minor work, maybe RMA be involved.

Prospects of rehabilitation by the private owners are  
very poor and successful rehabilitation will be achieved  
only with rigorous code enforcement process.

5. Statement of any and all problems, time delays, community  
criticism, owner resistance, etc. involved in the  
completion of the program.

6. Time delays ..... if the workmen and rehabilitation  
time costs are to be insured by the Federal Housing  
Administration (FHA). The lowest possible rents will  
be set at \$100 (D11) for the program.  
Insurance is needed. The interest rate at present is  
3 1/2% and a 30 year term is available. Prior to  
securing the first option on a Relatively Street  
property, preliminary schedules must be set for a  
point past the feasibility analysis assuming that  
we have had information on acquisition costs about  
of a first option. .... FHA may require a  
registered (RMA) schedule to show a formal set of  
floor plans and drawings.

..... Contractor either way or may not be  
able to be built together. If the rehab cost under  
the (D11) program exceeds \$200,000 (and in this case  
it will), the FHA will not accept RMA or schedule  
schedules.

7. Community Criticism ..... none anticipated.  
Non-profit ownership seems undesirable. Residents  
on Relatively and Relatively Streets, which run  
parallel to Relatively north and south respectively,  
seem to benefit from rehab on these buildings. They  
will be greatly improved. Information will be  
distributed by right controls. Landmarking should  
be done to the building and the neighborhood who have  
been reluctant so far, to get forth the effort.



6. (Cont'd)

- c. Owner resistance ..... the staff has not had any problem with the owners of the Holworthy Street properties nor has there been any apparent friction. The real estate people were of the opinion that one owner may not sell his properties located @ 37, 62 and 64 Holworthy Street. The project staff has not discussed sales with any of the property owners. Although several have indicated a desire to have their property acquired by the Authority.
- d. In the event one or two owners are reluctant to sell their property(s) the alternatives are:
1. Community persuasion ..... in terms of other owners in the area, the families who occupy the buildings, those who hold mortgages on the structures, people who will be asked to finance the new area rehabilitation community groups and social service agencies.
  2. All properties will receive comprehensive code enforcement surveys and some form of improvement will have to be initiated. The owner mentioned in paragraph 6c above has kept his property maintained at a level above the rest of the street, excluding, of course, the owner-occupants.
  3. Eminent domain ..... because the property cannot or will not be brought into conformance with the rehabilitation standards set forth in the urban renewal plan.
7. Description of the kind of work which must go into rehabilitation. What proportion and what kinds can be done by unskilled people (through the poverty program) under qualified supervision.

Kind of Work

Interior ..... New kitchens, bathrooms, outlets and light fixtures, floor repair and refinishing, complete redecoration. New radiators for some apts., new heat system, complete new wire service and new gas fits, larger water supply in copper and clean-up of all debris.

c. Owner resistance ..... The staff has not had any problem with the owners of the Holworthy Street properties nor has there been any apparent friction. The real estate people were of the opinion that one owner may not sell his properties located @ 37, 52 and 54 Holworthy Street. The project staff has not discussed sales with any of the property owners. Although several have indicated a desire to have their property acquired by the Authority.

d. In the event one or two owners are reluctant to sell their property(s) the alternatives are:

1. Community persuasion ..... in terms of other owners in the area, the families who occupy the buildings, those who hold mortgages on the structures, people who will be asked to finance the new area rehabilitation community groups and social service agencies.

2. All properties will receive comprehensive code enforcement surveys and some form of improvement will have to be initiated. The owner mentioned in paragraph 6c above has kept his property maintained at a level above the rest of the street, excluding, of course, the owner-occupants.

3. Eminent domain ..... because the property cannot or will not be brought into conformance with the rehabilitation standards set forth in the urban renewal plan.

7. Description of the kind of work which must go into rehabilitation. What proportion and what kinds can be done by unskilled people (through the poverty program) under qualified supervision.

#### Kind of Work

Interior ..... New kitchens, bathrooms, outside and light fixtures, floor repair and refinishing, complete redecoration. New radiators for some apt., new heat system, complete new wire service and new gas filter, larger water supply in copper and clean-up of all details.



Exterior ..... Roof repair or replacement, gravel cleat and cornice work, flashing at penthouses, masonry pointing and chimney work, window repair and paint, side and rear porch repairs, landscaping around property, stone or concrete curb work.

Stairways ..... complete repair and redecorate, new lighting and new entrances.

Breakdown

- a. New kitchen ..... New cabinets (wood or metal), new sink, stove and new tile floor. New 20 amp appliance outlets and new modern light fixture.
- b. New bathroom (if required), new tub, water closet and lav. (medium price range) new med. cabinet, tile job (floor & walls) and new light fixtures. Complete redecoration.
- c. Complete redecoration shall include paint, paper, plaster patching, ceiling repair and paint, misc. replacement hardware or doors, etc.
- d. Floor repair or refinishing shall include levelling, re-nailing, sanding, tiling (vinyl asbestos), inlaid (linoleum) and 2 coating hardwood floors with synthetic sealer and finisher.
- e. New wire service shall mean that each apt. containing two or more bedrooms shall be fused at 60 amps with a direct feed and fusing system inside the individual apartment. Wire code requires new kitchen receptacles to be 20 amp appliance outlets.
- f. New heat system may be either gas or oil pending results of investigations now going on. However, the scheme is to have individual central heating plants in each building.

Unskilled Poverty Program People

Plumbing, wiring, heating, masonry work, finish carpentry work, plastering and roofing for the most part will be done by skilled people.

A great deal of work, however, can be done by poverty program people of all ages.

Exterior ..... Roof repair or replacement, gravel  
 eave and cornice work, flashing at porches, masonry  
 pointing and chimney work, window repair and paint, side  
 and rear porch repairs, landscaping around property,  
 stone or concrete curb work.

Stairways ..... complete repair and redecorate, new  
 lighting and new entrances.

#### Breakdown

- a. New kitchen ..... New cabinets (wood or metal),  
 new sink, stove and new tile floor. New 30 amp  
 appliance outlets and new modern light fixtures.
- b. New bathroom (if required), new tub, water closet  
 and lav. (medium price range) new med. cabinet, tile  
 job (floor & walls) and new light fixtures. Complete  
 redecoration.
- c. Complete redecoration shall include paint, paper,  
 plaster patching, ceiling repair and paint, misc.  
 replacement hardware on doors, etc.
- d. Floor repair or refinishing shall include leveling,  
 re-nailing, sanding, filling (vinyl asbestos), install  
 (linoleum) and 2 coating hardwood floors with  
 synthetic sealer and finisher.
- e. New wire service shall mean that each apt. containing  
 two or more bedrooms shall be fused at 60 amps with  
 a direct feed and fusing system inside the individual  
 apartment. Wire code requires new kitchen receptacles  
 to be 50 amp appliance outlets.
- f. New heat system may be either gas or oil depending  
 results of investigations now going on. However, the  
 scheme is to have individual central heating plants in  
 each building.

#### Unskilled Poverty Program People

Plumbing, wiring, heating, masonry work, finish carpentry  
 work, plastering and roofing for the most part will be  
 done by skilled people.

A great deal of work, however, can be done by poverty  
 program people of all ages.

The major item of work is redecoration and will include interior and exterior painting, paperhanging, wall patching, floor sanding and refinishing, some tile work, clean-up work, landscaping etc. Many opportunities will arise, through a cooperative effort by the contractors doing the skilled work and the owner, when a poverty program person can act as a semi-skilled helper or trainee. This could happen with the plumber: hauling and setting up stoves, sinks and bathroom fixtures; Electrician: fishing outlets cutting and patching, installing recept. plates and some fixtures; Mason: stock and supply, mix mortar, work on sill and lintel forms; Carpentry work: cutting and preparation work, moving stock, lug out old plaster, nail off flooring etc; Plastering: mix and tend, build staging.

8. Description of the public improvements desirable to support rehabilitation:
  - a. Sidewalks particularly on the odd numbered side are in need of major repair.
  - b. Curb cuts should be installed at all interstices that do not now have them to allow at least some cars to park off-street.
  - c. New modern, efficient street lighting should be installed to replace the existing (wooden post) luminaries.
  - d. The land remnant beside the property at 54 Holworthy Street should be secured from the BRA to provide ingress and possibly egress for automobile parking behind the even numbered buildings. The land remnant will result when the new connector road is constructed adjacent to the I-5 School Site between Holworthy and Hollander Streets.

It must be noted that a ledge condition exists throughout the area and outcroppings are quite visible on this particular land remnant.

9. Description of tenant characteristics and tenant activities .....





The families in this area can be divided into four distinct groups: a small segment receiving public assistance; a larger group of young in migrant working couples; several bachelor men and women; and a few older well-stabilized families who have been in the area a number of years.

Frustrations of many families seem unsurmountable and for many reasons; the chief of them being sub-standard housing. The barrier between landlord and resident continues to widen. Some landlords attempt to maintain their property in a decent manner, but the majority of the apartments, in many respects, are unfit for habitation. There is a complete lack of janitorial services in some buildings and incompetency of such service in buildings where it is supposed to be given.

Residents have contributed their share to the poor housing situation through their failure in training children to respect property, coupled with their apathy to the conditions confronting them. The people, especially those receiving public assistance, have been known to falter on rent payments and shift to various apartments within the area. In many families there is an urgent need for guidance in homemaking skills. Unkempt interiors and exterior debris alert us to this fact. It is almost impossible to interest people in interior decoration when plaster is falling, plumbing is non-functioning and the heating system has failed.

Following is a list of occupations and means of income:

White Collar Workers	13
Skilled Tradesmen	13
Army	2 (in service)
Laborers	20
Domestics	4
Disabled Vet	2
Disability	1
OAA	1
Partial Welfare (ADC)	2
ADC	14





10. Desired timetable for completion of rehabilitation:

July 1, 1965 ..... Start preliminary process through  
FHA. BRA staff to handle initial action.  
Request (D) (3) allocation (May not be possible  
to request allocation before options are in  
hand).

July 15, ..... Move to secure options. Review plans  
at FHA. Hire executive director. Review plans  
with City Bldg. Dept.

July 30, ..... Advertise or invite firm estimates.

August 20, ..... Review bids. Go in for feasibility  
analysis.

September 7, ..... Completion of feasibility study.  
Allocation received. Formal application filed.  
Architect under contract.

September 30, ..... Schedule city improvements for  
Spring, 1966 (None scheduled or planned at  
this point).

October 1, ..... Firm commitment issued. Building  
permit issued.

October 20, ..... Formal passing .... Initiate Home  
Management Service Program. Complete Poverty  
Program scheduling.

November 1, ..... Job start

March 20, 1966 ..... Rehab complete.

Summer & Fall, 1966 ..... City improvements go in.



10. Desired timetable for completion of rehabilitation:

- July 1, 1965 ..... Start preliminary process through  
FHA. BRA staff to handle initial action.  
Request (D) (3) allocation (may not be possible  
to request allocation before options are in  
hand).
- July 15, ..... Move to secure options. Review plans  
at FHA. Hire executive director. Review plans  
with City Bldg. Dept.
- July 30, ..... Advertise or invite firm estimates.
- August 20, ..... Review bids. Go in for feasibility  
analysis.
- September 7, ..... Completion of feasibility study.  
Allocation received. Formal application filed.  
Architect under contract.
- September 30, ..... Schedule city improvements for  
Spring, 1966 (None scheduled or planned at  
this point).
- October 1, ..... Firm commitment issued. Building  
permit issued.
- October 20, ..... Formal passing .... Initiate Home  
Management Service Program. Complete Poverty  
Program scheduling.
- November 1, ..... Job start
- March 20, 1966 ..... Rehab complete.
- Summer & Fall, 1966 ..... City improvements go in.





June 3, 1965

WASHINGTON PARK URBAN RENEWAL AREA  
BOSTON REDEVELOPMENT AUTHORITY

---

TABLE I

HOLWORTHY STREET PROJECT

Relation between level of Rehabilitation and average monthly rent per dwelling unit.

<u>ESTIMATED ACQUISITION COST</u>	<u>ESTIMATED REHAB COST</u>	<u>AVERAGE MONTHLY RENT *</u>
\$2400	\$3400 (Min. rehab)	\$75.00
\$2400	\$4400 (Intermediate Rehab)	\$81.00
\$2400	\$4900 "	\$84.00
\$2400	\$5400 "	\$87.00
\$2400	\$6400 (Max. rehab)	\$93.00

\*Based on 7% vacancy allowance and property taxes of 15% of gross income.

## HOLCOMB STREET PROJECT

TABLE I

Relation between level of Rehabilitation and average monthly  
rent per dwelling unit.

ESTIMATED ACQUISITION COST	ESTIMATED REPAIR COST	AVERAGE MONTHLY RENT *
\$2400	\$2400 (Min. rehab)	\$72.00
\$2400	\$2400 (Intermediate Rehab)	\$81.00
\$2400	"	\$84.00
\$2400	"	\$87.00
\$2400	\$2400 (Max. rehab)	\$93.00

\*Based on the vacancy allowance and property taxes of 1% of gross  
income.

June 3, 1965

WASHINGTON PARK URBAN RENEWAL AREA  
BOSTON REDEVELOPMENT AUTHORITY

---

TABLE 2

HOLWORTHY STREET PROJECT

Hypothetical annual operating statement of a non-profit corporation.

INCOME

Gross Income (83 units @ \$87 per month)	\$ 86,650.
less 7% Vacancy Allowance	<u>6,065.</u>
Net Income	<u><u>\$ 80,585.</u></u>

EXPENDITURES

Debt Service (\$647,000 Mortgage) ( 3 7/8% - 30 years)	\$ 38,430.
P.I.L.O.T. (15% of Gross Income)	\$ 12,997.
Operating Expenses (\$350 per unit)	\$ <u>29,050.</u>
	<u><u>\$ 80,477.</u></u>



June 3, 1962

WASHINGTON PARK URBAN RENEWAL AREA  
BOSTON REDEVELOPMENT AUTHORITY

HOLMSTADT STREET PROJECT

TABLE 2

Hypothetical annual operating statement of a non-profit corporation.

INCOME

Gross Income (83 units @ \$87 per month)	\$	66,620.
Less: Vacancy Allowance		6,062.
Net Income	\$	<u>60,558.</u>

EXPENDITURES

Debt Service (\$647,000 Mortgage) ( 3 7/8% - 30 years)	\$	38,430.
P.I.L.O.T. (1% of Gross Income)	\$	12,997.
Operating Expenses (\$250 per unit)	\$	<u>20,020.</u>
	\$	<u>60,477.</u>